Before the
**FEDERAL COMMUNICATIONS COMMISSION**
Washington, D.C. 20554

In the Matter of

Streamlining Broadcast EEO Rules and Policies, Vacating the EEO Forfeiture Policy Statement and Amending Section 1.80 of the Commission's Rules to Include EEO Forfeiture Guidelines

MM Docket No. 96-16

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## COMMENTS OF DR. EVERETT PARKER

Dr. Everett Parker, by counsel, respectfully submits the attached Statement as his Comment in the above referenced proceeding.

Dr. Parker requests that his statement be considered as a formal Comment notwithstanding its late filing. See Further Motion for Extension of Time, and for Waiver of Filing Deadline, filed this date by the Minority Media and Telecommunications Council.

Respectfully submitted,

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August 5, 1996

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**DECLARATION OF DR. EVERETT C. PARKER**

My name is Everett C. Parker. I am joining in these Comments personally because this rulemaking proceeding, like no other I have seen in forty years, threatens to lead the broadcasting industry, which I greatly respect, backward -- down the beaten path of race and gender intolerance.

In 1954, I founded the Office of Communication of the United Church of Christ. The Office of Communication brought the cases in the 1950's and 1960's which desegregated the broadcasting industry, including the WLBT-TV case (Office of Communication of the United Church of Christ v. FCC, 359 F.2d 994 (D.C. Cir. 1966) and Office of Communication of the United Church of Christ v. FCC, 425 F.2d 543 (D.C. Cir. 1969)) The EEO Rule resulted from a Petition for Rulemaking we filed with the FCC in 1967.

Currently, I teach communications at Fordham University. I also serve as an officer of the Foundation for Minority Interests in Media, which I caused to be founded, Black Citizens for A Fair Media and the Minority Media and Telecommunications Council.

Having observed the industry as it faced the task of desegregation, I am greatly troubled that some broadcasters are making a profoundly ill-advised effort to convince the Commission to cut back on the scope of EEO enforcement, and that the Commission has convinced itself that cutbacks in equal opportunity efforts might "reduce burdens" on broadcasters.

Anyone with a rudimentary knowledge of the American South in the pre-civil rights days knows that the absence of equal opportunity for Blacks imposed enormous economic burdens on Southern industry and inflicted great harm on the Southern economy and on the economic well being of all residents of the South.

In 1960, Atlanta and Birmingham were virtually the same size and enjoyed virtually the same gross economic output. Atlanta's Black and white business and religious leaders decided that job discrimination and the underutilization of Black workers were hurting the local economy. They fostered equal employment opportunities for Blacks and gave Atlanta the slogan "The City Too Busy To Hate."

In Birmingham, Bull Connor and his fire hoses made the city infamous. Martin Luther King called Birmingham "The Most Segregated City In America." The name stuck because it was absolutely accurate.

Atlanta is one of the most well-off, fastest growing cities in the nation. It is home to the nation's second largest airport, the Turner cable news and entertainment networks, and host to the Olympic Games. Birmingham still reaches to catch up.

I point this out because today's generation of broadcasters and FCC officials may be too young ever to have learned that it was not just moral force which broke the back of segregation in the communication industries. It was the realization that discrimination is a drag on the economy, and an impediment to both domestic and global competitiveness that moved Presidents Eisenhower, Kennedy and Johnson to take the succession of steps which brought official segregation to its knees.

The Office of Communication of the United Church of Christ recognized that broadcasting does not just report and reflect social trends -- it sets them. Therefore, in 1967, we filed a Petition for Rulemaking urging the Commission to adopt what is now the EEO Rule.

Thanks to the leadership of Commissioners Kenneth Cox and Nicholas Johnson, and to the Commission's General Counsel, Henry Geller, our Petition was granted. In doing so, the Commission agreed with our basic premise: an integrated <u>national</u> workforce -- stimulated by the leadership of the broadcasting industry -- would serve as a powerful engine to fuel economic growth and competition, resulting in stronger market power and earnings for American companies -- <u>including</u> broadcasters.

The Commission's decision granting our Petition was extraordinarily eloquent in underscoring that fairness in employment is a measure of one's character. Although many thought this holding to be controversial at the time, it correctly underscored the fact that equal opportunity is, at bottom, a moral issue, irrespective of any economic considerations.

However, a number of farsighted broadcast executives came to realize that ending discrimination and its present effects had profound economic implications. They appreciated that the underutilization of minorities and women imposed tremendous economic burdens on the broadcasting industry, while the full inclusion of all talented Americans in the broadcasting industry was fundamental to the industry's competitiveness and economic health.

How unfortunate that over the past 25 years, the National Association of Broadcasters has not grasped this basic economic fact. Fortunately, some of the NAB's most respected members have taken a stand opposite to the NAB. Thomas Murphy and Daniel Burke of Capital Cities Communications, and Donald McGannon of Group W, were ahead of their time in deciding to carry on EEO programs that delivered far more value than the EEO Rule required. As a result, their companies became beacons for talented minorities and women whose skills were ignored elsewhere. Their companies prospered tremendously and deservedly.

These far-seeing leaders never saw EEO compliance as a "burden." They understood that inequality of opportunity was the real "burden" on society, on all businesses and on the broadcasting industry specifically They appreciated the fact that strong EEO programs create stronger companies by expanding the size of a company's labor pool thereby reducing the inefficiencies which obtain when some segments of the labor pool are underutilized.

Furthermore, they understood that in a television or radio station, workplace dialogue among a diverse group of creative people inevitably expands the diversity of viewpoints which are broadcast. Consequently, strong EEO programs enable broadcasters to reach out to new markets they might otherwise not choose to reach -- or know <u>how</u> to reach.

I respectfully submit that if a radio or television station receives only a fraction of a rating point from the pro-competition impact of workplace diversity, the revenues flowing from that increased viewership or listenership would far, far offset the miniscule costs of the telephone calls, e-mails and faxes used for EEO recruitment and the file drawer space consumed by EEO record keeping.

Over the past forty years, I have learned that a poor EEO program is typically a symptom of a poorly run broadcasting station. It is a dirty secret in the industry that companies looking to buy stations know that among most desirable targets are those with the <u>worst</u> EEO records! By artifically restricting its applicant searches to sources which generate few minority or female applicants, such a station may never connect with and hire the best available talent. Worse yet, the station has effectively written off entire segments of its potential audience. Because the station is being operated inefficiently, it draws suboptimal cash flow, enabling a buyer to purchase it for much less than its intrinsic value. The buyer can then turn the station around and make a healthy profit by operating it on an equal opportunity basis.

It is no accident that the most successful broadcasters are <u>not</u> the companies lobbying for the cutbacks in civil rights enforcement to which the Commission has bestowed the misleading name "EEO Streamlining." Many successful broadcasters, who recognize the economic value of EEO are actually grateful when a public interest organization files an EEO complaint against one of their stations. Why is this? Because large companies' CEO's often find themselves to be insulated by layers of bureaucracy from station general managers. A CEO may lack the personal time to keep track of middle management's EEO compliance efforts. Thus, he is not offended by the occasional public interest group EEO complaint which draws his attention to an underperforming unit within his company

For some companies, EEO compliance is moderately strong medicine -- as it was for Group W and CapCities in the early days. But every patient is thankful later for medicine which makes her health more robust. Surely, some broadcasters will grumble briefly if the Commission sets out seriously to end discrimination and its present effects by the 100th anniversary of broadcasting, as the National Council of Churches, the Office of Communication of the United Church of Christ, the Minority Media and Telecommunications Council and others have urged. But the FCC must do this, for the moral strength and the optimum <u>financial</u> health of the industry depend on it.

I urge the Federal Communications Commission to take a <u>farsighted</u> view of the basic question in this rulemaking proceeding: What is a "burden?" Ending discrimination and its present effects will do far more than any of the short-sighted proposals in the <u>NPRM</u> to "reduce burdens on broadcasters." The time has come for the Commission to lift permanently from broadcasters the burden of economic inefficiency generated by inequality of opportunity.

Everett C. Parker

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July 9, 1996